

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2001-203

April 4, 2001

NORTHLAND TELEPHONE COMPANY OF
MAINE, INC. AND VERIZON NEW ENGLAND INC.
D/B/A VERIZON MAINE

ORDER

Request for Waiver of the Basic Service Calling Area
Rule (Chapter 204) and for Approval of Basic Service Calling
Area Plans for the Liberty, Palermo and Washington Exchanges

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

By this Order the Commission approves the Joint Petition for Waiver and Approval submitted by Northland Telephone Company of Maine, Inc. (Northland) and Verizon New England Inc. d/b/a Verizon Maine (Verizon). We direct the Companies to file plans and time tables within forty-five days of this Order to implement the new Basic Service Calling Areas (BSCAs).

II. BACKGROUND

On March 20, 2001, Northland and Verizon submitted a joint petition for waiver of certain sections of the BSCA rule (Chapter 204) and approval of additional BSCA routes for three Northland exchanges: Liberty, Palermo and Washington. The Commission had previously identified these three exchanges as part of a group of 17 exchanges in Maine that did not have the ability to call any other exchange without incurring toll charges.¹

We have reviewed the calling patterns of Liberty, Palermo and Washington pursuant to the requirements of the BSCA rule for possible expansion of the premium calling areas. None of the three exchanges met the rule threshold. Part III (A) of the rule requires the expansion of the calling area for an initiating exchange when 50% or more of the residential customers of that exchange make four or more toll calls in one month to one other exchange.

In recognition of the unique situation for the Liberty, Palermo and Washington exchanges, Northland and Verizon submitted the joint petition. These three exchanges will likely never be able to reach the rule thresholds for expansion. The customers

¹ Commission Report to the Joint Standing Committee on Utilities and Energy as directed by Resolve Relating to Basic Service Calling Areas (Resolves 1999, ch. 32), December 23, 1999.

make a substantial number of toll calls, but the calling patterns are sufficiently split between two or more other exchanges so that reaching the 50% level is highly unlikely. Over the past two years both companies have explored a number of options, as has the Maine Legislature.² Earlier proposals that the companies and Commission considered would have raised the monthly bills to customers in the three exchanges by an unacceptable amount.

The joint filing by the two companies appears to be the most practical solution for calling area expansion that will avoid extremely high rate increases. It will allow each of the three exchanges to add the exchange to which, at present, the highest percentage of customers make four or more toll calls per month. The proposed rates for the Liberty, Palermo and Washington are: Economy service – \$7.50 per month, Premium service – \$13.50 per month. The per call rate for economy service customers that call the premium area is \$.25 per call. The economy service rate will be the same as the current monthly rate, which ensures that customers who do not choose the premium service will have no rate increase. The calling areas are as follows:

Home Exchange	Economy Calling Area	Premium Calling Area
Liberty	Liberty	Liberty and Belfast
Palermo	Palermo	Palermo and Augusta
Washington	Washington	Washington and Rockland

III. Decision

In our report to the Legislature regarding single exchange calling areas, we identified 17 exchanges (now 16, West Enfield having received a calling area expansion October 1, 2000) that could not call any other exchanges. We recognized four categories of exchanges: exchanges that have significant, but split, communities of interest; exchanges that have optional flat or block-of-time calling plans to nearby areas (instead of providing those areas as part of an expanded BSCA); exchanges in remote areas with no identified community of interest in Maine; and island exchanges that serve only offshore islands. The Liberty, Palermo, and Washington exchanges fall into the first category (as did West Enfield) and, as result, need a more flexible solution.

Limited local calling areas have a number of economic and social impacts on rural communities. Customers often must make a higher number of toll calls, resulting in higher total monthly bills. Calls to communities of interest where residents shop, work, and receive medical services are toll calls. Access to a number of competitive internet service providers is non-existent or very limited. The Commission is currently

² L.D. 33 (120th Legis. 2001) currently pending before the Legislature, in both its original form and the recently revised form, emphasizes the special limitations of the single exchange areas, requiring the Commission to entertain petitions for expansion.

investigating the need for changing the BSCA rule, but sees the need to provide an immediate solution to the three exchanges.³

We, therefore, approve the Joint Petition for Waiver and Approval submitted by Northland Telephone Company of Maine, Inc. and Verizon New England Inc. d/b/a Verizon Maine. The Companies are directed to file plans and time tables within forty-five days of this Order to implement the new Basic Service Calling Areas for the Northland exchanges of Liberty, Palermo and Washington.

Dated at Augusta, Maine, this 4th day of April, 2001.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR:

Welch
Nugent
Diamond

³ Inquiry into Revisions to the Basic Service Calling Area Rule, Chapter 204, Docket No. 2000-752.

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.